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BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Special Services Fees and Classifications) Docket No. MC96-3

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS W. ASHLEY LYONS
(OCA/USPS-T1-1-4)
(June 24, 1996)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA Interrogatories 1-4 to the United States Postal Service dated June 19, 1996, are hereby incorporated by reference.

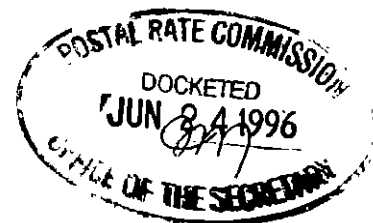
Respectfully submitted,

Gail Willette 13 PM

GAIL WILLETTE
Director
Office of the Consumer Advocate

David Ruderman

DAVID RUDERMAN
Attorney



OCA/USPS-T1-1. Refer to page 2, lines 1 - 3, of your testimony where it states the "proposals are designed to place the services and products on a more economically rational, businesslike basis." Please explain how the exclusion of collect on delivery (COD) and money orders from the Request supports this goal, given that the rates for COD and money orders are below attributable costs in the test year (see Exhibit USPS-T-5J at pages 23 and 24).

OCA/USPS-T1-2. Refer to page 2, lines 5 - 8, of your testimony where it states "pricing reform objectives include . . . more equitable contributions from the services to institutional costs." Please explain how the exclusion of COD and money orders from the Request is consistent with obtaining more equitable contributions to institutional costs for special services.

OCA/USPS-T1-3. Refer to page 2, lines 5 - 8, of your testimony. What pricing criteria of the Postal Reorganization Act justify the test year cost coverage of 95 percent and 86.8 percent for COD and money orders, respectively?

OCA/USPS-T1-4. Refer to page 3, lines 6 - 9, of your testimony.

Please explain how the exclusion of COD and money orders from the Request will help moderate future rate increases for these special services.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 3.B(3) of the special rules of practice.



DAVID RUDERMAN
Attorney

Washington, D.C. 20268-0001
June 24, 1996